

Louisville Metro Air Pollution Control District

Regulatory Impact Assessment

Regulation 2.08

Emissions Fees, Permit Fees, Permit Renewal Procedures, and Additional Program Fees

Version #21, Draft #3 - Proposed, April 12, 2006

Regulation 2.14

Asbestos Inspection Fee During Non-Scheduled Hours

Version #2, Draft #1 - Proposed, January 30, 2006

Purpose of the Proposed Action:

The primary purpose of the proposed action to amend the current version of this regulation is to increase the permit and program fees to provide program funding at a level to attract and maintain District engineering staff sufficient to provide an appropriate level of service in implementing these programs. Additionally, references to the Title V Permit Fee Advisory Panel have been replaced by references to a committee of the Air Pollution Control Board because the Advisory Panel was not reinstituted after the merger of the city and county governments.

A secondary purpose of the proposed action to amend the current version of Regulation 2.08 is to reduce the permit fee for very large asbestos demolition/renovation projects by reducing the fee for increments of material over 100 increments by 75%. Also, a provision is added to allow, with District approval, the amount of material involved in a project to be determined by volume rather than linear feet or square feet and the language in the notification fee provision is revised to be consistent with the exemption language in the federal asbestos regulation, 40 CFR Part 61 Subpart M. Additionally, a fee is being added for the second and each subsequent revision of an issued asbestos permit. Finally, Regulation 2.14 *Asbestos Inspection Fee During Non-Scheduled Hours* is being repealed and this assistance/inspection fee included in Regulation 2.08 with the other asbestos permit fees.

Estimated Costs and Savings:

The permit and program fees are proposed to be increased by 10% of the current amount. This will affect approximately 43 Title V companies, 170 FEDOOP (Federally Enforceable District Origin Operating Permit) companies, 740 minor sources, 325 gasoline service stations, and 400 (annually) asbestos demolition and renovation projects.

The fee for increments of material involved in an asbestos demolition/renovation project will be reduced by 75% for very large projects that have more than 100 increments of material. The fee

for asbestos permit revisions would not apply to the first revision, but would establish a fee of 10% of the initial permit fee for the second and each subsequent revision. The other amendments would have no effect on permit fees.

Feasibility of All Alternatives:

Failure to increase the permit and program fees will result in the continuation of engineering staff vacancies which have caused a backlog in processing permit applications and problems in adequate implementation of these programs. Neither the District nor the Board has authority to provide for increased revenues through any other source of funding.

By not providing a reduction in fees for very large asbestos demolition/renovation projects, the applicant would be required to pay a fee that could be considered unreasonably large. Multiple revisions to permits require District staff resources for review and reissuance without compensating the District.

Comparison with Any Minimum or Uniform Standards:

Clean Air Act Section 110 requires the implementation of a construction permit program and Clean Air Act Section 502 requires the implementation of a Title V Operating Permit program. The increased permit and program fees will provide for funding to adequately implement these programs.

There is no federal or state requirement regarding fees for asbestos demolition/renovation project permits.

Report on Public Outreach Efforts:

The District sent a notice to various members of the community, EPA Region 4, and the Kentucky Division for Air Quality (DAQ) providing an opportunity for informal review and comment on the draft proposed action. The public had an opportunity to provide informal comments at the May 17, 2006, meeting of the Policy Committee of the Louisville Metro Air Pollution Control Board. The public will have an opportunity for formal comment during a 30-day written comment period and at a public hearing that will be held on August 16, 2006.